

The background of the slide features a collage of various plastic bottles and a metal can. In the upper left, there is a blue aluminum can with a pull-tab lid. To its right and slightly below is a clear plastic bottle with a blue screw cap. Further right is a green plastic bottle with a green screw cap. The background is a light blue gradient with faint, repeating patterns of bottle caps and bottle bodies. A white curved line separates the top image area from the text area.

Recycling Program Enforcement Branch – Quarterly Update

October 18, 2016



COMPLIANCE AND REVIEW SECTION

- Probationary Review - \$28,900 in civil penalties assessed upon a recycler for adding 2.5 % to outgoing weights when preparing shipping report / claims for program payments.
- Reviewed approx. \$259K in Handling Fee Applications. Over \$98K in Handling Fee payments denied.
- Nancy Manfred - New Supervisor in the Handling Fee Review Unit effective June 2016.



INVESTIGATIONS SECTION

- Three (3) recycling centers decertified while under investigation in Southern California by abandoning their sites.
- Findings letters totaling \$140,979.00 were sent to three (3) participants as a result of investigations in Southern California.



INVESTIGATIONS SECTION

- April 25, 2016 – CalRecycle served Recycling Services Alliance (RSA) in Sacramento with a Notice of Informal Hearing on the immediate suspension of their certificate.
- May 13, 2016 – Order to suspend RSA was signed.
- May 31, 2016 – CalRecycle filed a \$1.4 million dollar accusation against RSA.



ACCUSATIONS

Accusations filed & served July 1 – September 30, 2016:

No new accusations were filed & served during this time period.



ACCUSATIONS

**Accusations resolved as of September 30, 2016 ~ filed
& served after CY 2013:**

Participant Name	Date Filed	Amount Assessed	Date Finalized	Resolution
Valero Recycling	09/30/15	\$655,400.00	07/25/16	\$655,400.00*
Dougherty's Recycling	06/02/15	\$181,500.00	07/02/16	\$181,500.00
American Green Recycling	08/26/15	\$43,000.00	07/15/16	\$43,000.00
	TOTAL:	\$879,900.00	TOTAL:	\$879,900.00

*Conditional waiver in place.



DOJ INVESTIGATIONS/ARRESTS

- DOJ Arrests – June 1 & 2, 2016
- 12 month investigation based on a tip
- Multi-state recycling fraud scheme involving:
 - ✓ Rental trucks to import loose empty beverage containers from Nevada recycling centers
 - ✓ Drivers using routes to avoid CDFA border stations
 - ✓ Storage locations in Carson, NV & two in Sacramento, CA
 - ✓ Illegal redemption of imported materials for CRV at recycling centers in CA



DOJ INVESTIGATIONS/ARRESTS





DOJ INVESTIGATIONS/ARRESTS

- **Materials seized at Sacramento storage facilities:**
 - ✓ Aluminum – 3,580 lbs.
 - ✓ PET – 2,340 lbs.
 - ✓ Total CRV if illegally redeemed = **\$8,452**



DOJ INVESTIGATIONS/ARRESTS

- **Six individuals arrested. (Charges include conspiracy, grand theft & felony recycling fraud):**
 - ✓ Marco-Rodriguez-Montano, 38, from Carson, NV
 - ✓ Jose Martinez-Lozano, 49, from Fernley, NV
 - ✓ Francisco Limon, 61, from Reno, NV
 - ✓ Juan Valdez, 40, Reno, NV
 - ✓ Herlindo Samayoa, 46, Sacramento, CA
 - ✓ Erendida Ramirez, 58, Sacramento, CA



DOJ INVESTIGATIONS/ARRESTS

- DOJ Arrests – August 18, 2016
- 8 month investigation
- Multi-state recycling fraud scheme involving:
 - ✓ Rental trucks to import loose empty beverage containers from Nevada recycling center
 - ✓ Drivers using routes to avoid CDFA border stations
 - ✓ Imported materials stored at private residence and public storage facilities in Sacramento & Yuba City
 - ✓ Illegal redemption of imported materials for CRV at recycling centers in Sacramento



DOJ INVESTIGATIONS/ARRESTS





DOJ INVESTIGATIONS/ARRESTS





DOJ INVESTIGATIONS/ARRESTS

- **Materials seized by DOJ at Sacramento storage facility:**
 - ✓ Aluminum – 1,520 lbs.
 - ✓ PET – 840 lbs.
 - ✓ Total CRV if illegally redeemed = **\$3,386**
- **Also seized by DOJ: assault rifle, two handguns and a semi-automatic rifle**



DOJ INVESTIGATIONS/ARRESTS

- **5 individuals arrested. (Charges include conspiracy, grand theft & felony recycling fraud):**
 - ✓ Rocio Zamora, 45, Rio Linda, CA
 - ✓ Santiago Zamora, 53, Rio Linda, CA
 - ✓ Margarita Medrano, 36, Rio Linda, CA
 - ✓ Idelfonso Salas, 36, Rio Linda, CA
 - ✓ Ulises Adame, 28, Rio Linda, CA



DOJ ARRESTS

- Full press release available at:

<http://www.calrecycle.ca.gov/NewsRoom/2016/10Oct/19.htm>



QUESTIONS ?